

# House Amendment 8415

PAG LIN

1 1 Amend Senate File 2350, as passed by the Senate, as  
1 2 follows:  
1 3 #1. Page 4, by inserting after line 17 the  
1 4 following:  
1 5 <Sec. \_\_\_\_\_. Section 463C.12, subsection 8, Code  
1 6 2007, is amended to read as follows:  
1 7 8. Tax-exempt bonds issued by the authority in  
1 8 connection with the program, which are exempt from  
1 9 taxation for federal tax purposes, are also exempt  
1 10 from taxation by the state of Iowa and the interest on  
1 11 these bonds is exempt from state income taxes and  
1 12 state inheritance ~~and estate~~ taxes.>  
1 13 #2. Page 5, by inserting after line 32 the  
1 14 following:  
1 15 <Sec. \_\_\_\_\_. Section 633.3, subsection 4, Code 2007,  
1 16 is amended to read as follows:  
1 17 4. Charges == includes costs of administration,  
1 18 funeral expenses, cost of monument, and federal ~~and~~  
1 19 ~~state~~ estate taxes.>  
1 20 #3. Page 8, by inserting after line 1 the  
1 21 following:  
1 22 <Sec. \_\_\_\_\_. Section 633.436, unnumbered paragraph  
1 23 1, Code 2007, is amended to read as follows:  
1 24 Except as provided in sections 633.211 and 633.212,  
1 25 shares of the distributees shall abate, for the  
1 26 payment of debts and charges, federal ~~and state~~ estate  
1 27 taxes, legacies, the shares of children born or  
1 28 adopted after the making of a will, or the share of  
1 29 the surviving spouse who elects to take against the  
1 30 will, without any preference or priority as between  
1 31 real and personal property, in the following order:  
1 32 Sec. \_\_\_\_\_. Section 633.449, Code 2007, is amended  
1 33 to read as follows:  
1 34 633.449 PAYMENT OF FEDERAL ESTATE TAXES.  
1 35 All federal ~~and state~~ estate taxes ~~(as,~~  
1 36 distinguished from state inheritance ~~taxes)~~ taxes,  
1 37 owing by the estate of a decedent shall be paid from  
1 38 the property of the estate, unless the will of the  
1 39 decedent, or other trust instrument, provides  
1 40 expressly to the contrary.>  
1 41 #4. Page 8, by inserting after line 27 the  
1 42 following:  
1 43 <3. Notwithstanding subsections 1 and 2, the  
1 44 interest of a beneficiary of a valid spendthrift trust  
1 45 may be reached to satisfy an enforceable claim against  
1 46 the beneficiary or the beneficiary's estate for either  
1 47 of the following:  
1 48 a. Services or supplies for necessities provided  
1 49 to or for the beneficiary.  
1 50 b. Tax claims by the United States to the extent  
2 1 authorized by federal law or an applicable provision  
2 2 of the Code.>  
2 3 #5. Page 9, line 23, by inserting before the word  
2 4 <Whether> the following: <1.>  
2 5 #6. Page 9, line 27, by striking the figure <1.>  
2 6 and inserting the following: <a.>  
2 7 #7. Page 9, line 29, by striking the figure <2.>  
2 8 and inserting the following: <b.>  
2 9 #8. Page 9, by inserting after line 29 the  
2 10 following:  
2 11 <2. This section shall not apply to a creditor of  
2 12 a beneficiary or to a creditor of a deceased  
2 13 beneficiary enforcing an interest in a trust, if any,  
2 14 given to a beneficiary by the trust instrument.>  
2 15 #9. Page 9, line 32, by inserting before the word  
2 16 <If> the following: <1.>  
2 17 #10. Page 10, by inserting after line 2 the  
2 18 following:  
2 19 <2. Notwithstanding subsection 1, court may order  
2 20 payment to a creditor of a beneficiary or to a  
2 21 creditor of a deceased beneficiary if the beneficiary  
2 22 has or had an interest in the trust.>  
2 23 #11. Page 11, by inserting after line 25 the  
2 24 following:

2 25 <Sec. \_\_\_\_\_. Section 633A.3112, subsection 1, Code  
2 26 2007, is amended to read as follows:  
2 27 1. "Charges" includes costs of administration,  
2 28 funeral expenses, costs of monuments, and federal ~~and~~  
~~2 29 state estate taxes.~~  
2 30 Sec. \_\_\_\_\_. Section 633A.4703, unnumbered paragraph  
2 31 1, Code Supplement 2007, is amended to read as  
2 32 follows:  
2 33 Except as otherwise provided by the governing  
2 34 instrument, where necessary to abate shares of the  
2 35 beneficiaries of a trust for the payment of debts and  
2 36 charges, federal ~~and state~~ estate taxes, bequests, the  
2 37 share of the surviving spouse who takes an elective  
2 38 share, and the shares of children born or adopted  
2 39 after the execution of the trust, abatement shall  
2 40 occur in the following order:>  
2 41 [#12](#). By renumbering as necessary.  
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2 45 HUSER of Polk  
2 46 SF 2350.201 82  
2 47 rh/rj/11473